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DEPARTMENT OF COMMERCE Foreign-Trade Zones Board [B-25-2017]

Foreign-Trade Zone (FTZ) 81 – Portsmouth, New Hampshire
Notification of Proposed Production Activity
Textiles Coated International Inc.
(Polytetrafluoroethylene Products)
Manchester and Londonderry, New Hampshire

Textiles Coated International Inc. (TCI) submitted a notification of proposed production activity to the FTZ Board for its facilities in Manchester and Londonderry, New Hampshire. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on April 10, 2018.

TCI's facilities are located within Site 4 of FTZ 81. The facilities are used for the production of polytetrafluoroethylene (PTFE) products. Pursuant to 15 CFR 400.14(b), FTZ activity would be limited to the specific foreign-status materials/components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt TCI from customs duty payments on the foreign-status materials/components used in export production (an estimated 40 percent of production). On its domestic sales, for the foreign-status materials/components noted below, TCI would be able to choose the duty rates during customs entry procedures that apply to: fluoropolymer film sheeting .152mm in thickness in rolls and not in rolls; PTFE fiberglass colored and not colored; PTFE gaskets; joint sealants; sheet gasketing material with and without adhesives; silicone

fiberglass fabrics with and without color; flexible PTFE ducting with coils reinforced and unreinforced; and, PTFE coated fiberglass sheets (duty rate ranges from 3.1% to 7.3%). TCI would be able to avoid duty on foreign-status components which become scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The materials and components sourced from abroad include: PTFE dispersions; PTFE fine powders; fluoropolymer film sheeting 0.152mm in thickness in rolls and not in rolls; woven glass fiber mats; woven glass fiber fabrics colored and not colored; fluorinated ethylene propylene (FEP) pellets; ethylene tetrafluoroethylene (ETFE) pellets; and, perfluoroalkoxy (PFA) pellets (duty rate ranges from 4.2% to 7.3%). The request indicates that woven glass fiber mats and woven glass fiber fabrics colored and not colored will be admitted to the zone in privileged foreign status (19 CFR 146.41), thereby precluding inverted tariff benefits on such items. The request also indicates that, PTFE dispersions and PTFE fine powders are subject to an antidumping/countervailing duty (AD/CVD) investigation if imported from certain countries. The FTZ Board's regulations (15 CFR 400.14(e)) require that merchandise subject to AD/CVD orders, or items which would be otherwise subject to suspension of liquidation under AD/CVD procedures if they entered U.S. customs territory, be admitted to the zone in privileged foreign status (19 CFR 146.41).

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is [INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

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A copy of the notification will be available for public inspection at the Office of the

Executive Secretary, Foreign-Trade Zones Board, Room 21013, U.S. Department of

Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230-0002, and in the

"Reading Room" section of the Board's website, which is accessible via

www.trade.gov/ftz.

For further information, contact Christopher Wedderburn at

Chris.Wedderburn@trade.gov or (202) 482-1963.

Dated: April 16, 2018.

Andrew McGilvray,

Executive Secretary.

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